



**Caltrans Statewide Small Business Council  
May 18, 2007 Meeting Minutes**

**Manchester Center  
2015 E. Shields Avenue, Suite 100  
Yosemite Room #145  
Fresno, California  
Telephone: (559) 444-2585**

**Statewide Council Members Present:**

**Chavez, Floyd** – NCLBA  
**Guerrero, Paul** – CA SBE  
**Hou, Jonathan** – ABA  
**Johnson, Bernard** – TBJG  
**Lee, Jackson J.** – The Bridge  
**LaCome, Diana** – NCA  
**Lau, Eddy** – AA&E  
**Llewellyn, Rebecca** – WCOE

**Caltrans Staff Present:**

**Iwasaki, Randy** – Chief Deputy Director, Caltrans  
**Fonseca, Olivia** – Deputy Director,  
Civil Rights  
**Dougherty, Malcolm** – Director, District 6  
**Failing, Doug** – Director, District 7  
**Kome, Ajise** – District 10 Director  
**Carrera, Angel** – Civil Rights  
**Caudle, Morris** – District 6  
**Der Matoian, Mark** – Deputy Director, Central Region  
Construction  
**Dunning, Julie** – District 10  
**Effinger, Robert** – Construction Chief  
**Galia, Cris** – DPAC  
**Garcia, Bacilio** – Civil Rights  
**Liu, John** – District 6  
**Mason, Anne** – Civil Rights  
**Nabelaah, Hanif** – District 6  
**Peterson, Jerold** – Division Project Management  
**Rajvinder, Khela** – District 6  
**Runge, Pam** – District 6  
**Sanchez, Marco** – District 6  
**Sanchez, Rene** – District 6

**Guests:**

**Chisam, Dwayne** – City of Los Banos Public Works  
**Coleman, Julie** –  
**Funston, Roger** – Chambers Group  
**Gonzales, Mary** – City of Fresno, Office of Public Works  
**Jefferies, Bill** – Kern Economic Development Corp.  
**Lehn, John** – Kings Co. Economic Dev. Corp.  
**Mendoza, Carlos** – US Small Business Administration  
**Miller, Shawn** –  
**Morris, Ali** – Kern County Black Chamber  
**Phipps, Robert** – Kern Council of Government  
**Post, Elaine** – City of Los Banos Public Works  
**Tom, Stanley** – Valley Small Business Dev. Corp.  
**Vasquez, John** – Bay Area Concrete  
**Washington, Mary** – Black Chamber of Commerce  
**Williams, Jeffery** –

**Guest Speaker:**

**Dougherty, Malcolm** – District 6 Director

## **Welcome/Introductions/Opening Remarks**

Chair Fonseca welcomed all attendees and thanked District 6 for hosting the statewide Small Business Council meeting. Following introductions, Chair Fonseca welcomed District 6 Director Dougherty. Mr. Dougherty announced the Small Business Council District meetings are for the whole San Joaquin Valley with the first meeting to be held in July. The District 6 SBC meetings will encompass Stockton to Bakersfield. Chair Fonseca spoke of the statewide Small Business Council origins with the first formation in 1983. The statewide SBC provides Caltrans advice and guidance on improving the Small Business and Disadvantage Business programs. The SBC Council is very active in improving participation and including small business in our contracts. Districts have initiated small business participation through the SB Council. District 7 Director Failing and Chief Deputy Director Iwasaki formerly in District 4 were the first to organize SBCs. Mr. Failing stated their SBC has active competition with District 11 from San Diego. Mr. Failing stated his District SBC meet every other month on policies and issues. The District 7 SBC meetings assist with the Small Business Procurement Fair in which District 7 was the first. Procurement Fairs does more than disperse general information. Caltrans have buyers and issues Service Contracts with one Fair grossing \$500,000 in one day. Mr. Caudle commented that District 6 Fresno Procurement Fair grossed \$563,000. Chair Fonseca welcomed Chief Deputy Director Iwasaki to the SBC meeting. Mr. Iwasaki stated Director Kempton wanted to be here but is unable to attend. Mr. Iwasaki gave the latest up date of the truck crash at the MacArthur Overpass. The truck tanker caught fire on 880 and 580 Hwy. Mr. Iwasaki stated the damage has the potential of \$400,000 a day in economical damage. There was an informal bid with seven invited to bid. The Department held a Small Business Outreach and 400 letters went out to the small business area. Approximately, 125 small businesses talked to seven bidders and ten small businesses were listed on the contract. Member Llewellyn thanked Caltrans and Member Lau credited Caltrans for the captive small business outreach and to implement this format in other Districts. Mr. Carrera stated Caltrans e-mail messages to 400 SB to attend a SB Outreach Event. The event was held two days later. Member LaCome asked whether the trucking company would be required to pay for the cost of the damage. Mr. Iwasaki referenced R106 Maintenance Term, which is a process taken after inventory of damages. Caltrans will pursue reimbursement from the person who caused the damage. Mr. Iwasaki announced the City of Oakland completed a Disparity Study. Director Kempton welcomes start up of the District Small Business Council in Fresno.

## **ITEM #1: Approval of Statewide SBC March 16, 2007 & April 20, 2007, Meeting Minutes**

**Motion:** Member Guerrero

**Second:** Member Hou

**Approved by consensus**

**Motion:** Member Hou

**Second:** Member Llewellyn

**Approval by consensus with minor change**

Chair Fonseca identified contents of the SBC meeting packets as follows:

- The Sacramento Bee, Business, "Caltrans Reviews Minority Policies", April 20, 2007
- News Release: "Caltrans Reaches Record \$10 Billion Level of Transportation Projects", April 18, 2007
- Article from SFGate. com, "Caltrans starting to get some respect for its handling of many major projects, including MacArthur Maze collapse", May 6, 2007
- Flyer, Bay Area Vendor Fair "New Perspectives for Growth and Success", May 24, 2007
- Press Release from Governor's Office, "Governor Schwarzenegger Announces Appointment of Marty Keller, small business advocate, to Governor's Office of Planning and Research", May 2, 2007
- News Release, "Caltrans Awards Interstate 580 Contract to CC Meyers", May 7, 2007

- Business Exchange News, “Latin Claim Largest Slice of Minority-Business Pie”, May 3, 2007
- Governor’s Executive Order: “Governor Schwarzenegger Signs Executive Order to Increase Accountability and Ensure Bond Funds are Spent Efficiently by State Government”, January 24, 2007
- SB 1266 Senate Bill, Author Perata, “Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006”

## **ITEM #2: Statewide Committee Reports**

Professional Services: No new action item reported.

Commodities Committee: No new action item reported.

Construction Committee: No new action item reported.

Legislative Committee: Reported bills of interest are SB 797 (Thomas), AB 655 (Swanson), AB 983 (Ma), AB1204 (Portantino), AB 1615 (Runner) Chair Fonseca noted AB1695 (Bass), Caltrans endorses – A \$40 million Surety Bond Guarantee Program for transportation related projects. This is an urgency bill. The Small Business Council recommended the bill last year. Chair Fonseca thanked SBC for their endorsement.

Executive Committee: No meeting to report.

## **ITEM #3: District, SR 125 and Disparity Study Updates**

**District 7:** District 7 Director Failing reported their Small Business Council District met last week. On Tuesday May 15, 2007, they held the 6th Small Business Procurement Fair in the plaza at District headquarters in Los Angeles. A lot of repeat vendors and relationships have developed for regular contract purchases. We are now expanding service contracting for Professional Services and training. We are looking to build up a local Construction committee. A&Es are partnering with SBs and the District is creating smaller contracts. Minor Bs are contracts of \$131,000 or less and 100% are going to small businesses. The May 15, 2007, SB Procurement Fair was a joint effort with District 7 and District 12 and the Los Angeles City Department of Transportation.

**District 4:** Member LaCome announced the District 4 SBC toured the Cypress Mandela Center for construction skills training for young people. Member LaCome asked how many training centers are sponsored by Caltrans? Chair Fonseca stated two training centers are sponsored by Caltrans. Caltrans is now soliciting proposals to develop training centers like the Cypress Mandela OJT Center pre-apprenticeship. The training center will be federally funded. Caltrans would like to see a Center in the Central Valley.

**District 11:** Member Llewellyn stated District 11 is starting their mentor protégé program. In District 11, they have a “Prime Contracts Award” which honors prime businesses. Chair Fonseca announced the October Statewide SBC meeting will be held in District 11 for the Awards Ceremony. Member “Jackson” Lee commended Chair Fonseca for leadership in working on Toll Road issues. Member “Jackson” Lee announced that the Professional Services Fair was successful. Member LaCome referenced a database was used for all businesses to help with McArthur Maze, and this list identified construction small businesses. Member Hou is interested in District 11, Professional Services Fair and how they came up with the criteria for success. Member “Jackson” Lee stated awards were given at the Professional Services Fair.

**SR 125:** Nothing to report.

**Disparity Study Update:** Chair Fonseca spoke of the history of the Disparity Study referencing the State of Washington Court Ruling in May 2005. In May 2006, Caltrans started the Race Neutral DBE Program. A Disparity Study is being prepared and will be completed by June 30, 2007. Caltrans must maximize its use of race neutral measures. Caltrans has not maximized the Race Neutral measures for small businesses. The Interim Disparity Study is available on the Internet. It was released in March 2007. There were Public Hearings, which

produced over 1,000 pages of testimony. Member Guerrero stated the Disparity Study is on Transportation related contracts in which Caltrans administers. It will help local agencies prepare their own study. Mr. Iwasaki stated we need to look for opportunities to “unbundle” contracts. We need to provide more contract administration and study whether registered or non-registered small businesses are bidding our contracts. Mr. Morris questioned why small businesses didn’t send in their certification. Member Guerrero stated if SBs have more than \$750,000 in personal net worth, they then exceed the program certification criteria.

**ITEM #4: District 6 – “Hwy 99 Corridor Project”**

District 6 Director Dougherty spoke on the Hwy 99 Corridor Project consisting of the Route 99 Corridor and the proposed funding from Prop 1B. This corridor came to the attention of the Governor and the Secretary of Business, Transportation, and Housing Agency. The 99 Corridor Project is from the Sacramento Valley to San Joaquin Valley alone. The Project will increase lanes, widen lanes, and add new highway interchanges. Mr. Der Matoian, Deputy Director of Central Region Construction reported on the projects, which widen four lanes from six lanes. There will be a total of 75 miles of widening. All projects will be awarded by the year 2012. All Prop 1B projects will have CTC (California Transportation Commission) and RTPA’s (Regional Transportation Planning Agency) involvement. District 10 Director Kome reported on four projects totaling \$600 million. The projects will start in the years 2009 to 2010. Member Guerrero asked how the Fresno community would be notified of the construction? Pam Runge and staff from District 6 will be contacting small businesses. Mr. Dougherty announced they have SB’s in construction already participating. Mr. Der Matoian stated some consultant inspections would be contracted out. Caltrans will solicit bids from local area firms. Member Guerrero recommended they contact Ruby Louie who has a list of SB contacts. Mr. Dougherty announced they had 100 letters sent out for the statewide SBC. Member Lau ask if there will be design work? Mr. Dougherty said most of the design has been completed. Mr. Dougherty said their District 6 meeting in July plans to explore all ways to get small business participation. Mr. Sanchez stated 71% of the Minor B contracts are going to SBs in District 6. Member Guerrero suggested District 6 develop its own SB list to get small businesses. Mr. Der Matoian referenced the website for Caltrans called “Project Look Ahead”. Log on to Caltrans District 6 and it shows what small contracts are out there. Member Guerrero asked if there would be more sound walls with an art theme? Member LaCome said Caltrans used to have artwork on sound walls. Mr. Dougherty stated the local artwork is reproduction artwork provided by local high schools and the existing artworks use products that are easier to clean up. The local Rotary Clubs sponsored the artworks on Hwy 99.

**ITEM #5: Public Comment/Good of the Order**

**Next meeting:**

Friday, June 15, 2007 in Sacramento, 8:30 A.M. to 11:30 A.M.

Approved by: \_\_\_\_\_

**OLIVIA FONSECA**

**Deputy Director, Office of Civil Rights**

**California Department of Transportation**